

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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| A REVIEW OF THE RATES AND CHARGES |) | |
| AND INCENTIVE REGULATION PLAN OF |) | CASE NO. 90-256 |
| SOUTH CENTRAL BELL TELEPHONE COMPANY |) | |

O R D E R

This matter arising upon petition of South Central Bell Telephone Company ("South Central Bell") filed May 30, 1991 pursuant to 807 KAR 5:001, Section 7, for confidential protection of its responses to Commission request No. 4C and No. 11, and its responses to Attorney General request No. 13 on the grounds that disclosure is likely to cause South Central Bell competitive injury, and it appearing to this Commission as follows:

In response to Item 4C of the Commission's request and Item 13 of the Attorney General's request, South Central Bell has filed copies of its IntraLATA MTS cost studies which it seeks to protect as confidential. The cost per IntraLATA MTS message depends upon the number of IntraLATA MTS messages and the study shows how costs change with varying numbers of messages. Workpapers contained in the study show cost methodology, processing costs, billing information and billing costs. Supporting data for the cost study reflects vendor discounts to South Central Bell.

In response to Item 11 of the Commission's request, South Central Bell has filed its Late Payment Charges Study. Page 3 of that study contains specific study assumptions which are identical

to those used in determining the underlying cost of South Central Bell's billing and collection services. South Central Bell negotiates the interstate billing and collection contracts with interexchange carriers.

807 KAR 5:001, Section 7, protects information as confidential when it is established that disclosure is likely to cause substantial competitive harm to the party from whom the information was obtained. In order to satisfy this test, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

South Central Bell's competitors for IntraLATA MTS service are interexchange carriers and resellers certificated in this state. Competitors could use the toll cost studies sought to be protected to price their services below South Central Bell's. Therefore, disclosure of the studies filed in response to Item 4C of the Commission's data request and Item 13 of the Attorney General's data request is likely to cause South Central Bell competitive injury and should be protected.

The assumption on page 3 of the Late Payment Charges Study used to determine the underlying cost of South Central Bell's billing and collection services would be helpful to providers of alternative billing and collection services offered in competition with South Central Bell. Therefore, that information should also be protected as confidential.

This Commission being otherwise sufficiently advised,

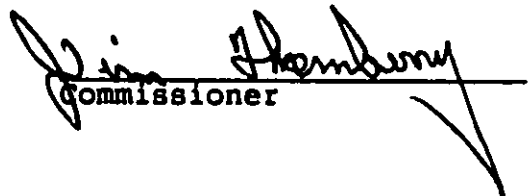
IT IS ORDERED that South Central Bell's responses to Item 4C and Item 11 of the Commission's request and Item 13 of the Attorney General's request, which South Central Bell has petitioned be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 17th day of June, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director